



NEWS RELEASE

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OVER \$13 MILLION IN USDA RURAL DEVELOPMENT GRANTS SELECTED TO SPUR ECONOMIC GROWTH IN 34 STATES INCLUDING RHODE ISLAND AND MASSACHUSETTS

\$2.1 Million to Support Renewable/Biomass Energy Proposals

WASHINGTON, Oct. 13, 2004—Agriculture Secretary Ann M. Veneman today announced the approval of 97 value-added agricultural product market development grants in 34 states, totaling over \$13.1 million. The grants will help farmers and ranchers increase their economic opportunities through the development of new products and markets for agriculturally based products.

"The Bush Administration continues to place a high priority on creating new sources of renewable and biomass energy through such grant programs as the value-added producer grant program," said Veneman. "Creating an energy independent nation, through utilization of our nation's natural resources, is a valuable investment in America's future."

In support of President Bush's 2001 energy plan, 16 percent of the proposals selected will support biomass/renewable energy related ventures.

"These grants are critical to assisting America's farmers and ranchers increase markets for their commodities and to increase their profitability," said Agriculture Acting Under Secretary for Rural Development Gilbert Gonzalez. "President Bush is committed to helping more rural families live the American Dream through the creation of new business ventures that employ more rural Americans. This program is a significant investment in the future of rural families and communities."

Authorized as part of the 2002 Farm Bill, the Value-Added Agricultural Product Market Development Grants program provides an opportunity to refine agricultural commodities and products to increase their value in the marketplace.

Of the \$13.1 million announced, \$2.1 million will fund 16 proposals ranging from determining the feasibility and creating a business plan for harnessing wind energy in Colorado, to determining the feasibility of marketing ethanol from a 50 million gallon dry grind ethanol plant in Illinois, to determining the feasibility of converting dairy biogas into purity pipeline or automotive quality fuel in Idaho.

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The Value-Added Producer Grant program is a highly competitive grant program that garnered nearly 400 applications. An independent review of applications is conducted to ensure that selected proposals are scored based on the criteria established in the announcement of the funding availability. Funding of selected applicants will be contingent upon meeting the conditions of the grant agreement. A complete list of the selected grant recipients can be found at the USDA Rural Development web site at: <http://www.rurdev.usda.gov>.

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>.

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